



ENERGY ASSURANCE DAILY

Monday Evening, June 07, 2010

Major Developments

BP Capturing over 10,000 b/d of Crude from Leak in Gulf of Mexico

The lower marine riser package (LMRP) containment cap, installed on June 3, is collecting about 10,500 b/d of crude and flaring 22 Mmcf/d of natural gas, according to BP estimates. BP expects to increase the amount of crude collected to 20,000 b/d. From June 3 to June 5, the total volume of oil collected was 16,600 barrels, while 32.7 MMcf of natural gas was flared. BP is preparing for additional enhancements to the LMRP cap system, which includes using the hoses and manifold deployed for the top kill operation to take oil and gas from the failed Deepwater Horizon blow-out prevent through a separate riser to the vessel on the surface. Also, a second planned addition is intended to provide a more permanent LMRP cap system which will permit greater flexibility for operations during a hurricane and is expected to be implemented in early July.

Reuters, 11:18 June 7, 2010

<http://www.bp.com/genericarticle.do?categoryId=2012968&contentId=7062670>

Weekend Storms Knock out Power to over 275,000 Customers in the U.S. Mid-Atlantic and U.S. Northeast

Thunderstorms swept up the U.S. East Coast, and disrupted electricity to 276,665 customers over the weekend. See the following table for peak and current outages:

Mid-Atlantic and Northeast Customer Power Outages			
6/4/10-6/7/10			
Electric Utility	State	Peak	Latest Reported
Atlantic City Electric	NJ	90,890	2
Delmarva	DE	89,171	89,136
Delmarva	MD	17,535	17,515
Allegheny	PA	16,015	272
Connecticut Light & Power	CT	16,000	325
Progress Energy	NC	13,586	107
National Grid	MA	11,288	210
Dominion	VA	8,764	159
Allegheny	WV	8,096	360
Duke Energy	SC	5,320	12
TOTAL*		276,665	108,098

*Total outages only represent electric utilities listed in this table.

Sources:

Atlantic City Electric: <http://www.atlanticcityelectric.com/home/emergency/maps/stormcenter/>

Delmarva: <http://www.delmarva.com/home/emergency/maps/stormcenter/>

Allegheny: http://app.alleghenyenergy.com/outagestatus/OMS_Customer_State.aspx?Option=State&User=

Connecticut Light & Power: <http://www.1010wins.com/Thunderstorms-Cut-Power-to-Thousands-in-Connecticu/7401039>

<http://www.cl-p.com/outage/default.aspx>

Progress Energy: <http://www.progress-energy.com/shared/outages/car/default.aspx>

Narragansett Electric: <https://www.nationalgridus.com/narragansett/index.asp>

Dominion: <http://www.dom.com/storm-center/dominion-electric-outage-summary.jsp>

Duke Energy: <http://www.duke-energy.com/outages/stats/>

Storms, Tornadoes Knock Out Power to about 42,000 Customers in Michigan and Illinois over Weekend

At the height of the storm, DTE Energy reported 32,000 customers lost power in Michigan. ComEd reported about 10,000 customers and Ameren reported about 300 customers lost power over the weekend.

<http://www.mariettatimes.com/page/content.detail/id/522411.html?nav=5002>

<http://www.freep.com/article/20100607/NEWS06/100607010/1319/Thousands-still-powerless-in-tornado-hit-Monroe-Co.>

<http://www.prnewswire.com/news-releases/comed-expects-to-restore-remaining-670-customers-in-tornado-damaged-streator-area-by-midnight-95756934.html>

http://www.pantagraph.com/news/local/article_df77748c-7191-11df-8b5b-001cc4c002e0.html

DTE's 1,089 MW Fermi Nuclear Unit 2 in Michigan Shut by June 6

The Nuclear Regulatory Commission reported that on the morning of June 5 the unit was operating at full power. Unit 2 at the plant automatically shut on June 6 when thunderstorms affected one of two offsite power feeds to the plant. These events led plant operators to declare an Unusual Event, the lowest of four emergency classifications, at 2:53 a.m. In addition, operators declared an Alert, the second lowest emergency classification, at 4:17 a.m. today.

The Alert was declared based on potential physical damage to a building inside the plant's Protected Area. Siding on a plant building appears to have blown off during the storm.

<http://dteenergy.mediaroom.com/index.php?s=43&item=523>

Information also derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2010/>

Exelon's 1,134 MW Limerick Nuclear Unit 1 in Pennsylvania Reduced to 62 Percent by June 5

The Nuclear Regulatory Commission reported that on the morning of June 4 the unit was operating at full power.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2010/>

Duke Energy's 1,100 MW McGuire Nuclear Unit 2 in North Carolina Reduced to 50 Percent by June 7

The Nuclear Regulatory Commission reported that on the morning of June 6 the unit was operating at full power.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2010/>

Dominion's 925 MW North Anna Nuclear Unit 1 in Virginia Reduced to 85 Percent by June 7

The Nuclear Regulatory Commission reported that on the morning of June 6 the unit was operating at full power.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2010/>

PSO's 720 MW Oklaunion Coal-Fired Unit 1 in Texas Shut by June 5

Public Service Co. of Oklahoma (PSO) shut the unit to fix a boiler tube leak.

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=140619>

Sempra's 558 MW Mesquite Gas-fired Unit in Arizona Shut by June 6

Reuters, 11:48 June 7, 2010

Update: TVA's 1,126 MW Sequoyah Nuclear Unit 2 in Tennessee at Full Power by June 7

The Nuclear Regulatory Commission reported that on the morning of June 6 the unit was operating at 75 percent.

The unit shut on May 28 to work on the valves for the coolant charging pumps.

Reuters, 07:57 June 7, 2010

Information also derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2010/>

Update: Duke Energy's 846 MW Oconee Nuclear Unit 2 in South Carolina Ramped Up to 97 Percent by June 5

The Nuclear Regulatory Commission reported that on the morning of June 4 the unit was operating at 65 percent. The unit was shut by May 24.
Reuters, 07:55 June 7, 2010

Information also derived from the NRC Power Reactor Status Reports:
<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2010/>

Update: PG&E's 154 MW Kerkhoff Hydro Unit in California Returns to Service by June 5

According to the California Independent System Operator, the unit reported a return from a planned and unplanned outage.

<http://www.caiso.com/unitstatus/data/unitstatus201006051515.html>

Update: Cabrillo Power's 106 MW Encina Gas-Fired Unit 1 in California Returns to Service by June 4

According to the California Independent System Operator, the unit reported a return from an unplanned outage.

<http://www.caiso.com/unitstatus/data/unitstatus201006041515.html>

Petroleum

Oil Companies Fear Impacts of Six-Month Ban on Deep-Water Drilling in Texas

Oil and gas companies are concerned that future exploration and production in the Gulf of Mexico could be jeopardized in the aftermath of the Deepwater Horizon rig disaster. A six-month government ban on deep-water drilling has already caused production disruptions, forcing firms to idle equipment and thousands of workers to redeploy elsewhere. Also, some of the three dozen deep-water drilling rigs affected by the ban are expected to pull out of the Gulf of Mexico and land multiyear contracts in Brazil and other deep-water hot spots.

<http://www.chron.com/dispatch/story.mpl/business/deepwaterhorizon/7039523.html>

ExxonMobil Shuts Deasphalting Unit at its 562,500 b/d Baytown, Texas Refinery June 5

The unit was shut after a flaring event due to a vibration issue and the shutdown of a compressor. The flaring lasted 12 hours.

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=140632>

SCOT Unit Shut at Delek's 60,000 b/d Tyler, Texas Refinery June 6

The unit was shut for unplanned work.

<http://www11.tceq.state.tx.us/oce/eer/index.cfm?fuseaction=main.getDetails&target=140653>

Natural Gas

Gas Leaks from Well in Marcellus Shale Reserve in Pennsylvania June 3

According to an EOG Resources spokesperson, the well was brought under control Friday afternoon, about 16 hours after it started spewing natural gas and polluted drilling water. The well did not catch on fire and no injuries were reported. The Department of Environmental Protection investigated the incident and blames a failure on the well's blowout preventer, which is a series of valves that sit atop a well and allow workers to control the pressure inside. Investigators are trying to figure out the cause of the malfunction.

<http://thetimes-tribune.com/news/gas-spews-for-hours-from-out-of-control-pa-well-1.831323>

http://www.pennlive.com/midstate/index.ssf/2010/06/inspectors_try_to_find_what_ca.html

Other News

Gas Explosion at Abandoned Coal Mine in West Virginia June 7

A crew drilling through an abandoned Consol Energy coal mine in West Virginia hit a pocket of methane gas that ignited and triggered an explosion, burning seven workers. A team from Wild Well Control, a company that specializes in rig fires, will determine whether to let the methane burn or to try to put out the fire.

<http://www.app.com/apps/pbcs.dll/article?AID=2010100607017>

Hawaii Partners with DOE to Increase State's Alternative Energy Initiatives

The Hawaii Clean Energy Initiative aims to meet 70 percent of the Hawaii's energy needs through energy efficiency and renewable sources by 2030. Some of the steps in the initiative include adding 50,000 electric vehicles by 2015, implementing tax rebates for highway-capable electric or plug-in hybrids, and rebates for new electric vehicle chargers. Hawaii has a big incentive for the initiative because it "imports virtually all its energy".

<http://www.freep.com/article/20100606/BUSINESS01/6060445/1331/business01/Hawaiiis-weather-high-gasoline-costs-lure-electric-vehicles>

Copper Theft Suspects Arrested in Alabama

Decatur Police arrested two men in connection with multiple counts of copper theft from Decatur and Huntsville substations. Over the past six months, Decatur Utilities and Joe Wheeler Electric Membership Corp filed 25 Reports of Copper Theft. Other utilities in northern Alabama have reported copper theft as well.

<http://www.decatordaily.com/detail/61630.html>

Energy Prices

U.S. Oil and Gas Prices			
June 7, 2010			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	71.78	74.37	69.24
NATURAL GAS Henry Hub \$/Million Btu	4.60	4.22	3.58

Source: Reuters

Energy Notes

April Emergency Preparedness Exercise at FirstEnergy's Beaver Valley Nuclear Power Plant in Pennsylvania Discovered Communication and Operational Problems in Emergency Agencies in Ohio and West Virginia: NRC

http://www.msnbc.msn.com/id/37533922/ns/local_news-cleveland_oh/

Police Foil Copper Theft Attempt at Decatur Utilities' Substations in Alabama

<http://www.decatordaily.com/detail/61630.html>

Attempted Copper Theft Reported in Vancouver, British Columbia June 5

<http://www.vancouversun.com/Cable+theft+cuts+service+customers/3117049/story.html#ixzz0qAmxHrX3>

Update: Cracks at FirstEnergy's Davis-Bessel Nuclear Power Plant in Ohio Discovered Last Month Caused by Hot Temperatures and Weaknesses in Manufactured Materials

<http://www.sanduskyregister.com/articles/2010/06/04/front/2081593.txt>

Flaring Reported at Tesoro's 100,000 b/d Wilmington California Refinery after Hydrocracking Unit Tripped June 6

Reuters, 17:09 June 6, 2010

Suncor's Oil Sands Production Averaged 304,000 b/d in May in Alberta, Canada

http://www.rigzone.com/news/article.asp?a_id=94138

Update: Alyeska Pipeline Estimates 5,000 Bbls of Crude Spilled from Trans-Alaska Pipeline on May 25 When Storage Tank Overflowed: Alaska Department of Environmental Conservation

http://www.alaskajournal.com/stories/060410/oil_img10_001.shtml

Flaring Reported at Tilden Gas Plant in Texas June 7

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=140634>

Compressor Shuts, Leads to Flaring at 16 MMcf/d Welch Co2 Gas Processing Plant in Texas June 6

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=140639>

Flaring Reported at 290 MMcf/d Waha Gas Plant in Texas June 5

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=140630>

Low Water Pressure Shuts Engine at West Credo Booster Station in Texas June 5

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=140633>

Small Leaks Reported at Southern Union Gas Pipeline in Texas June 4

<http://www11.tceq.state.tx.us/oc/eer/index.cfm?fuseaction=main.getDetails&target=140616>

Nesting Hawks Halt Construction of Kennecott Utah Copper's Natural Gas Pipeline Construction

http://www.sltrib.com/news/ci_15239772

Shell's Crude Pipeline Guards in Nigeria Threaten to Strike in Seven Days over Wages

<http://www.businessweek.com/news/2010-06-07/shell-nigeria-pipeline-guards-threaten-to-strike-over-pay.html>

Update: Oil Spill at ExxonMobil's Fields in May Caused by Corroded Pipelines in Nigeria: National Oil Spill Detection and Response Agency

<http://www.businessweek.com/news/2010-06-06/exxon-nigerian-unit-oil-spill-caused-by-corrosion-update1-.html>

Links

This Week in Petroleum from the Energy Information Administration (EIA)

<http://tonto.eia.doe.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

Weekly Petroleum Status Report from EIA

http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html

Updated after 10:30 AM & 1:00 PM EST every Wednesday.

Natural Gas Weekly Update from EIA

<http://tonto.eia.doe.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM EST every Thursday.

ENERGY ASSURANCE DAILY

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<http://www.oe.netl.doe.gov/ead.aspx>

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